CORE

The Voice of Mineral Exploration/Winter 2015

PDAC 2015 CONVENTION NEWS AND HIGHLIGHTS

INVESTING IN CANADA'S NORTHERN INFRASTRUCTURE

MINISTER LEONA AGLUKKAQ ON DEVELOPING THE NORTH

PDAC Awards: Our industry's best and brightest

PDAC
PROSPECTORS & DEVELOPERS ASSOCIATION OF CANADA

CORE
The Voice of Mineral Exploration
Winter 2015

FEATURES

4
PDAC's 2015 Award Recipients

16
Developing Canada's North

18
A look at the Northern Infrastructure Investment Bank

In This Issue

Industry news PG.2

PDAC 2015 Convention news PG.8

Editorial
Produced by PDAC's Communications Department

EDITOR-IN-CHIEF
Cameron Ainsworth-Vincze

MANAGING EDITOR
Steve Virtue

ASSOCIATE EDITOR
Kathleen Napier

CONTRIBUTORS
Minister Leona Aglukkaq, Lisa McDonald, Sherry Dickert, Christina Goncalves Toste, Alison Abbott Franklin, Florence MacLeod, Vida Ramin, Nadim Kara, Nicole Sampson, Sandra Francescon, Lynda Joyet

DESIGN
Hambly & Woolley Inc.

VISIT US ONLINE
www.pdac.ca
www.twitter.com/the_PDAC
www.facebook.com/thePDAC

INDUSTRY NEWS

Ontario gold mines would improve finances for the province

In October, the Ontario Mining Association (OMA) released a joint report with the University of Toronto and assistance from the Ministry of Northern Development and Mines entitled *An Au-thentic Opportunity: The Economic Impacts of a New Gold Mine in Ontario*. The report examines the economic impact of a new gold mine to the province of Ontario, and concludes that one new gold mine could provide more than **2,200** direct and indirect jobs, and pay more than **$102 million** in tax revenue for all levels of government.

The study examined the annual economic benefits for both an open pit and underground gold mine over a three-year period, including the construction and production phases that could last for decades.

GOVERNMENT OF BRITISH COLUMBIA TABLES AMENDMENTS TO MINES ACT

British Columbia's Minister of Energy and Mines and Responsible for Core Review, Bill Bennett, tabled amendments to the province's Mines Act on October 23. The amendments would ensure additional time, if required, to conduct thorough investigations into offences under the Act. The changes would also give the Crown more time when deciding whether to pursue charges.

The proposed amendments would increase the current timeframe for pursuing charges for offences committed under the Act from six months to a year, to three years. If passed, the amendments to the Act will come into effect retrospectively as of August 1, 2014, and will apply to all ongoing investigations.

GOVERNMENT OF CANADA'S EXTRACTIVE SECTOR STRATEGY RESTS ON FOUR PILLARS

The Government of Canada released its Extractive Sector Strategy on November 18 as an extension of the government's plan for Responsible Resource Development. The strategy is built around four pillars to improve Canada's extractive industry, a key driver to both the Canadian and global economies. Canadian mining and mineral exploration companies hold interests in more than **8,000 properties** both in Canada and in over **100 countries**, which accounts for almost half the world's activities in this sector. The four pillars of the government's strategy include:

- Secure and preserve access to international markets for Canadian business
- Transform business opportunities into business successes
- Sustain the business environment and local communities
- Produce economic benefits for Canadians

CANADIAN FEDERAL GOVERNMENT RELEASES CORPORATE SOCIAL RESPONSIBILITY STRATEGY

Doing Business the Canadian Way: A Strategy to Advance Corporate Social Responsibility in Canada's Extractive Sector Abroad was rolled out in November and is the Federal Government's enhanced Corporate Social Responsibility (CSR) strategy.

The highly anticipated strategy is the product of the government's five-year review of the 2009 strategy, *Building the Canadian Advantage: A Corporate Social Responsibility Strategy for the Canadian Extractive Sector Abroad*, which builds on the experience and best practices gained since the initial plan was launched.

The enhanced strategy includes additional support for CSR initiatives abroad, increased training for Trade Commissioners and staff, and refocusing the role of the CSR Councillor and the office.

Perry Bellegarde named National Chief of Assembly of First Nation (AFN)

Perry Bellegarde was elected to the Office of National Chief of the Assembly of First Nations (AFN) on December 10. Bellegarde, from Little Black Bear First Nation, Treaty 4 Territory in Saskatchewan won on the first ballot with 63 per cent of the vote.

Bellegarde served as Chief of the Federation of Saskatchewan Indian Nations, as well as the Saskatchewan Regional Chief for the Assembly of First Nations. He has also served as the Tribal Chair of the Touchwood-File Hills-Qu'Appelle Tribal Council, Councillor for the Little Black Bear First Nation, and Chief of Little Black Bear First Nation.

In March 2008, the PDAC signed an historic MOU with the AFN to formalize a collaborative, respectful relationship between the two organizations and to outline a commitment to common objectives with regards to First Nations and the mineral industry in Canada.

Extractive Sector Transparency Measures Act receives Royal Assent

On December 16 the Federal Government's *Extractive Sector Transparency Measures Act* received Royal Assent and passed into law. The Act was tabled on October 23 as part of omnibus legislation **Bill C-43** to establish mandatory reporting requirements for payments made to governments by the Canadian extractive sector, including oil, gas and mining companies. Under the new law, companies will be required to report taxes, royalties and other payments they make to governments annually.

PDAC, along with MAC, Publish What You Pay-Canada and the Natural Resources Governance Institute (formerly the Revenue Watch Institute), have been actively promoting the need for Canada to adopt such a standard since late 2012 when they formed the Resource Revenue Transparency Working Group (RRTWG). In January 2014, the RRTWG released its final recommendations that were intended to provide Canada's federal and provincial governments with a blueprint for a payment reporting framework.

The *Extractive Sector Transparency Measures Act* is expected to come into force by June 1, 2015. Companies with a December 31 year-end are anticipating that reporting will begin in May or June 2017.

PDAC 2015 AWARDS

BY KATHLEEN NAPIER

The PDAC Board of Directors is pleased to announce the following award recipients for their outstanding contributions to the mineral exploration and mining industry.

The recipients will receive their awards at the PDAC 2015 Convention on March 2 at the Fairmont Royal York in Toronto.

THAYER LINDSLEY AWARD FOR AN INTERNATIONAL DISCOVERY

This award recognizes an individual or a team of explorationists credited with a recent significant mineral discovery anywhere in the world.

KAMOA DISCOVERY TEAM, IVANHOE MINES LTD.

For the team's discovery of the Kamoa Copper Deposit, Central African Copperbelt, Democratic Republic of Congo (DRC).

The Ivanhoe Mines Ltd. Kamoa Discovery Team is the recipient of this year's Thayer Lindsley Award for international mineral discoveries. The team is receiving the award for discovery of the Kamoa Copper Deposit in the Democratic Republic of Congo (DRC).

The deposit is located in the Central African Copperbelt on the western edge of the Katangan basin, approximately 25 km west of the Kolwezi district. The deposit is a new and blind grassroots discovery in an area previously written off by other explorers because of its lack of Mines Series rocks, as well as of surface mineralization.

In January 2013, a new independent mineral resource estimate was prepared for the Kamoa Copper Discovery by AMEC E&C Services of Reno, Nevada. The new estimate ranks Kamoa as Africa's largest high-grade copper discovery and the world's largest undeveloped high-grade copper discovery. As of January 2013, Ivanhoe Mines had discovered indicated mineral resources of 739 million tonnes grading 2.67% copper, containing 43.5 billion pounds of copper, and inferred mineral resources of 227 million tonnes grading 1.96% copper, containing 9.8 billion pounds of copper. A 1% copper cut-off grade and a minimum vertical mining thickness of three metres was applied in each classification.

The Kamoa Discovery Team was led by Dr. David Broughton, Executive Vice President of Exploration at Ivanhoe Mines, and Thomas Rogers, Director of Exploration, African Mining Consultants. In addition, the team included David Edwards, Geology Manager, Kamoa Project, Ivanhoe Mines; Dr. Douglas Haynes, Director, Douglas Haynes Discovery Pty. Ltd.; Dr. Ross McGowan, formerly of African Mining Consultants and currently CEO, Armada Exploration Ltd.; and Steven McMullan, P. Geo., Site Manager at Ivanhoe Mines' Kipushi Project, and Principal Geoscientist, African Mining Consultants.

IVANHOE MINES
NEW HORIZONS

BILL DENNIS AWARD FOR A CANADIAN DISCOVERY OR PROSPECTING SUCCESS

This award honours (a) person(s) who has(ve) accomplished one or more of the following: made a significant mineral discovery; made an important contribution to the prospecting and/or exploration industry. The award may also be used to recognize an important mineral discovery in Canada.

DAVID PALMER, PRESIDENT AND CHIEF EXECUTIVE OFFICER, PROBE MINES LIMITED

For his discovery of the Borden Gold Project located near Chapleau, Ontario.

David Palmer, President and Chief Executive Officer of Probe Mines Limited, is the recipient of this year's Bill Dennis Award for a Canadian mineral discovery or prospecting success. David Palmer is receiving the award for the Borden Gold Project, a discovery located near Chapleau, Ontario.

The Borden Gold Project is an exciting and important new gold discovery that continues to evolve, grow and improve with continued exploration. Located in a previously unexplored area of Ontario, the discovery could potentially be the beginning of a significant new gold district in Canada.

The company's June 2014 Technical Report estimated high-grade gold resources with potential for underground extraction in the Borden Gold Project totalling 1.60 million ounces of gold in the Indicated Resource category (9.3 million tonnes grading 5.39 grams of gold per tonne), and 0.43 million ounces of gold in the Inferred Resource category (3 million tonnes grading 4.37 grams of gold per tonne) at a 2.5 g/t Au cut-off. The deposit still remains open for expansion.

The Borden Gold Project in Canada is significant to the industry, especially with the dwindling number of significant gold discoveries globally and could be the birth of Canada's next gold district. Probe Mines has also identified potential for new discoveries within the Borden and associated belts that extend to the northeast of the Borden gold zone, and the company recently acquired over 350 square kilometres of additional unexplored ground comprising the East Limb Property.

VIOLA R. MACMILLAN AWARD FOR COMPANY OR MINE DEVELOPMENT

This award, which is named in honour of the PDAC's longest serving President, is given to (a) person(s) who has/have demonstrated leadership in management and financing for the exploration and development of mineral resources.

MATT MANSON, PRESIDENT AND CHIEF EXECUTIVE OFFICER, STORNOWAY DIAMOND CORPORATION

For leading Stornoway's team in the continuing development of the company's Renard Project located in the James Bay region of Québec.

Matt Manson, President and Chief Executive Officer of Stornoway Diamond Corporation, is the recipient of this year's Viola R. MacMillan Award for company or mine development. He is receiving the award for leading Stornoway's team in the continuing development of the company's Renard Project located in the James Bay region of Québec. The team completed its $946 million project financing package this past July, more than 13 years after the project's initial discovery.

In the early 2000s, Matt, then President and CEO of Contact Diamond Corporation, was looking for growth opportunities and concluded that Ashton Mining of Canada's 50 per cent interest in the Renard Property was Canada's best undeveloped diamond asset at the time. He knew that Contact Diamond would not be able to acquire Ashton Mining alone and approached Stornoway Diamond Corporation to propose a merger, which was completed in September 2006. In April 2011, Stornoway acquired the remaining 50 per cent of the Renard Property from Diaquem, Soquem, and Investissement Quebec.

Matt took the Renard Project through its various phases of development, modifying and adjusting plans to ensure development. Over this period, he has also built up strong relationships with the Québec Government and the Cree Nation and has made them active partners with Stornoway. Most impressively he has put in place the financing necessary to construct the Renard Mine, despite extremely difficult markets.

DISTINGUISHED SERVICE AWARD

This award recognizes an individual who has achieved one or more of the following: made a substantial contribution to mineral exploration and mining development over a number of years; given considerable time and effort to the PDAC; made outstanding contributions to the mineral industry in the field of finance, geology, geophysics, geochemistry research, or a related activity.

BILL PEARSON

For his outstanding contribution and dedication to Canada's mineral and exploration industry.

Bill Pearson is the recipient of this year's Distinguished Service Award. Bill is receiving the award for his outstanding contribution and dedication to Canada's mineral and exploration industry in which he has worked for over 40 years. He has served as a tireless and dedicated pioneer and leader of his profession at both the provincial and national level.

Bill convened the first meeting of the Committee for the Professional Registration of Geoscientists of Ontario (CPRGO) in March 1989, which he chaired for seven years. He was President of the Association of Geoscientists of Ontario (AGO) from 1996 to 2000 and was the founding President of the Association of Professional Geoscientists of Ontario (APGO) from 2000 to 2003. In addition to his work for the geoscience profession in Ontario, Bill was instrumental in the formation of the Canadian Council of Professional Geoscientists (CCPG now Geoscientists Canada), where he served as one of CCPG's founding directors.

After obtaining a B.Sc. Honours degree in geology from the University of British Columbia in 1974, Dr. Pearson completed an M.Sc. in Economic Geology in 1977 and a Ph.D. from Queen's University in 1979. He then went on to enjoy a broad and varied professional career as a geoscientist spanning some 35 years of practice, largely in the minerals exploration and mining sector.

"The company supports a number of educational programs aimed at overcoming barriers to higher education among Aboriginal communities."

ENVIRONMENTAL & SOCIAL RESPONSIBILITY AWARD

This award honours an individual or organization who/which has demonstrated outstanding initiative, leadership and/or accomplishment in protecting and preserving the natural environment and/or in establishing good community relations during an exploration program or operation of a mine.

NORONT RESOURCES LTD.
For its accomplishments and commitment to social initiatives in Northern Ontario.

Noront Resources Ltd. is the recipient of this year's Environmental and Social Responsibility Award. The company is receiving the award for its accomplishments and commitment to social initiatives in northern Ontario. The company prides itself on having an open and honest dialogue with all stakeholders, especially the First Nations that surround the company's Eagle's Nest Project in the James Bay lowlands of northern Ontario.

Over the years, Noront has expanded its community engagement program to include education, skills training, youth programming and economic development in the area. The company has built a partnership with Matawa's Kiikenomaga Kikenjigewen Employment and Training Services (KKETS) and Confederation College in Thunder Bay to create the Ring of Fire Aboriginal Training Alliance (ROFATA).

The company supports a number of educational programs aimed at overcoming barriers to higher education among Aboriginal communities, including Noront Mikawaa Scholarship Program, Schulich School of Business, Global Mining Management MBA Program, Capstone Project and Webequie First Nation's Grade 11 Mining Curriculum Program.

Noront also invests in community development by sponsoring programs like Mining Matters, an organization that educates students about Canada's geology and mineral resources, and DAREarts, a movie-making youth camp that helps students better understand mining and a donations and sponsorship program.

The company has worked hard to build initiatives it believes will provide long-term benefits to its shareholders and the communities in the region where they operate.

SKOOKUM JIM AWARD FOR ABORIGINAL ACHIEVEMENT

Recipients of this award will have demonstrated exceptional achievement and/or service in a Canadian Aboriginal-run service business for the Canadian mining industry or a Canadian aboriginal exploration or mining company, or have made a significant individual contribution to the mining industry.

SAM BOSUM, PRESIDENT, NATIVE EXPLORATION SERVICES
For his strong and continued efforts to encourage and mentor Cree youth to pursue a career in mineral exploration.

Sam Bosum has been working with mining and exploration companies in the Chibougamau region of Québec for nearly 50 years. He began his career in the area in the 1960s, and has worked as a Director of several mining and exploration companies.

Currently the President of Native Exploration Services, an Aboriginal-owned company founded in 1984, Sam is based in the Oujé-Bougoumou Cree Nation, Québec. Native Exploration Services provides staking, line-cutting, and geophysical services to both the mining and exploration industries, and provides training in the field of basic mineral exploration methodologies (prospecting and sampling). The company offers significant employment and business opportunities in the region, and is considered a major employer in the Oujé-Bougoumou Cree Nation.

Sam has been a member of the Band Council of the Oujé-Bougoumou Cree Nation for the past 38 years and has focused his efforts on advancing the affairs of his community. During this time he has served as Deputy Chief and was elected as Chief in 2001, a position he held for eight years. Sam is still an active member of the Band Council of the Oujé-Bougoumou Cree Nation. He works to inspire and encourage the youth of his community to pursue their education and achieve the goals they set for themselves in their future careers, including that of geologists. **c**

PDAC 2015 CONVENTION

The PDAC's 83rd Convention is just around the corner. Check out the latest news!

TRADE SHOW NORTH (NEW)

The Prospectors & Developers Association of Canada (PDAC) is pleased to announce that we are expanding the Trade Show exhibit space into the Metro Toronto Convention Centre (MTCC) North Building. The Trade Show will now encompass Hall C of the North Building, as well as Halls D and E of the South Building.

Complimentary access to Trade Show North will be offered in the inaugural year. All pass types will be permitted, including the complimentary Investors & Select Presentations Pass.

A large crowd pleaser and a highlight of the PDAC Convention, the **Core Shack**, sponsored by Barrick Gold Corporation, will also be located in Trade Show North. The Core Shack provides a venue for drill-stage projects, that are generating exciting new results, to display their core samples and discuss the results with interested attendees.

You won't go hungry with the addition of the **Great North Eatery** and **The Beer Market** sponsored by Deloitte. The casual atmosphere of the Eatery is sure to be a destination of choice for attendees looking for a place to eat, relax, unwind and network in a social setting. The Beer Market, adjacent to the Eatery, will add a chic vibe with its upscale furnishings and décor and is perfect for informal meetings, mingling and networking.

Also don't miss the **Receptions** taking place right on the show floor!

Welcome Reception (formerly at the Fairmont Royal York)
Sunday, March 1 , 6:00 – 8:00 pm
PDAC welcomes you to the convention with a drink and light refreshments. This is the largest networking event at the convention, and for the first time it is being held at the MTCC, North Building. Be sure to spend some quality time with exhibitors and colleagues as you tour the new North.
Complimentary drink ticket provided in the registration bag for All Access Pass holders. Admission ONLY with convention pass. Open to all pass types.

Trade Show Receptions
Monday, March 2 & Tuesday, March 3, 4:00 – 6:00 pm
Enjoy a glass of wine or beer as you network with the Trade Show North exhibitors from international and domestic companies, along with organizations promoting technology, products, services and mining jurisdictions.
Complimentary bar beverage ticket (good for either day) provided in the registration bag for All Access Pass holders. Cash bars available. Admission ONLY with convention pass. Open to all pass types.

INVESTORS EXCHANGE

Apply now for PDAC 2015 Investors Exchange Exhibit Space! Space is limited.

- Discuss your company's activities with mining analysts, fund managers and bankers
- Make important connections with a worldwide audience
- Meet face-to-face with high net worth individual investors
- Reinforce relationships with existing investors
- Reveal investment potential and conditions
- Seek out new business opportunities

For more information and to apply, visit:
www.pdac.ca/convention/exhibit-presentation-opportunities/investors-exchange

LUNCHEONS

Matthew Hart

Mineral Outlook Luncheon

Monday, March 2, 12 noon – 2:00 pm
MTCC, South Building, Room 718, Tickets: $80 each

PDAC welcomes Matthew Hart, author of *Gold: The Race for the World's Most Seductive Metal*. A veteran observer of the mining scene, Mr. Hart will discuss "Economics, politics and the future of mining" in a fast-paced analysis of such crucial industry issues as human rights, the role of big data in industrial espionage, and how governments will manage opinion in the increasing competition for resources.

Rick Rule

Panel Luncheon

Tuesday, March 3, 12 noon – 2:00 pm
MTCC, South Building, Room 718, Tickets: $80 each

The panel will discuss "Funding challenges: The benefits of alternative investment funds including private equity in the mining sector." The panel will evaluate what makes various investor types want to invest in resource names, what keeps them away, as well as how their investment criteria differ from more traditional institutional investors with respect to returns, size of investment and timelines.

Moderator: Rick Rule, Chairman, Sprott US Holdings Inc.
Panelists: David Harquail, President & CEO, Franco-Nevada Corporation;
Douglas Silver, Portfolio Manager, Orion Mine Finance;
Caroline Donally, Director, Denham Capital

Student-Industry Networking Luncheon

Tuesday, March 3, 11:30 am – 1:30 pm
MTCC, North Building, Rooms 105/106

The flagship event of the Student Program, this reception-style buffet luncheon gives students the opportunity to make valuable connections with industry professionals and peers. The winner of the Mary-Claire Ward Geoscience Award will be announced, as well as the students selected for the 2015 Student-Industry Mineral Exploration Workshop (S-IMEW). Don't miss this opportunity to put your networking skills to good use. The luncheon will also include draws for five $300 tuition top-up awards. *Proof of student membership is required to collect the award; RSVP when you register for the convention.*

EVENING EVENTS

MONDAY, MARCH 2
AWARDS EVENING
Outstanding achievements are honoured at the prestigious annual PDAC Awards Evening, where individuals and organizations are acknowledged for their significant contributions to the Canadian mineral industry. This hallmark event, begins with a Hosted Reception, followed by a delectable three-course dinner, fine wine and live jazz music. A specialty Coffee and Liqueur Networking Reception, rounds out this memorable evening.
Engaging videos, showcasing the stories and underscoring the accomplishments of each award winner, highlight this special evening.
6:00 – 7:00 pm Reception
7:00 – 8:30 pm Dinner
8:30 – 9:45 pm Award Presentations
9:45 pm Coffee and Liqueur Networking Reception
Tickets: $125 each (includes taxes and gratuities)
Table of 10: $1,125. (includes taxes and gratuities)
Dress: Business Attire, Black Tie Optional
PROUD SPONSORS
Awards Evening
Franco Nevada
Reception
gowlings
Dinner Wine
CIBC
Coffee and Liqueur Reception
Hecla
Fairmont Royal York, Canadian Room

Mining Night
Tuesday, March 3, 9:00 pm – 12 midnight
Fairmont Royal York, Canadian Room
Come and network with 3,000 of your closest industry friends! The Dave Murphy Band will perform your favourite cover tunes while you hit the dance floor. Pick up your two free draft beer or soft drink tickets at the door. *Admission ONLY with convention pass. Entry will be denied without a convention pass. Open to all pass types.*

SURF'S UP SOIRÉE
Wednesday, March 4 ~ Fairmont Royal York, Canadian Room
Slip on your flip flops, throw on your sunglasses and beat those winter blahs at the PDAC Surf's Up Soirée!
Sip on cocktails, dive into a sun-sational dinner and heat up the dance floor jammin' to live entertainment.
Win big at Caribbean Stud poker in the Casino! Take home a souvenir as you step into the Photo Booth,
or snag a one-of-a-kind from the Silent Auction...we have it all!
Dress to impress in upscale summer attire and you could win one of the BEST DRESSED Contests!
Cut offs, short shorts and swim suits are not permissible.
Host Bar Reception 6:00 – 7:00 pm
Silent Auction 6:00 – 9:45 pm
Dinner (including Wine) 7:00 – 8:30 pm
Entertainment (live band and dancing) 8:30 – 12:00 midnight
Casino 9:00 – 10:30 pm
Tickets: $125 each. Table of 10: $1,125 – save $125!
(includes reception, dinner, wine, entertainment, photo booth, casino, prizes, taxes and gratuities)
Reception and Evening Sponsored By
IBK Capital Corp.

For more information about the luncheons or to purchase tickets visit: **www.pdac.ca/convention/social-events/luncheons**

For more information about evening events or to purchase tickets visit: **www.pdac.ca/convention/social-events/evenings**

PROGRAMMING

Technical Program

The Technical Program begins Sunday afternoon, March 1, and covers two topics: Commodities and market outlook, and Fennoscandia: The challenges and opportunities of the North.

On Monday morning, March 2, a variety of Technical Sessions will take place, including the Keynote session: Retail investor—potential capital financing, ¡Viva!–Mineria en Mexico, Quebec and Plan Nord: Five years later, along with Adopting tools and techniques from the oil patch. Following the Mineral Outlook Luncheon, where Matthew Hart will discuss Economics, politics and the future of mining, there will be sessions on Mineralogy at the heart of geometallurgy, Mining in Latin America: Exploration operations and investment, and Diamonds are forever: Canada's turn.

Technical Sessions on Tuesday, March 3, feature morning sessions on Bringing renewable energy to your project, The economic implications of grade, Closing the discovery gap: The role of innovation, and Jackpot: Central African Copperbelt. The afternoon program will showcase an Open Session presentation and Technical Sessions about Nickel and Geophysics. The Panel Luncheon, moderated by Rick Rule, will discuss Funding challenges: The benefits of alternative investment funds including private equity in the mining sector.

On Wednesday morning, March 4, there are four sessions to choose from: Managing the environmental footprint of mineral exploration: Can mining be sustainable?, Return of the state: The role of government in financing mineral exploration, Specialty metals and industrial minerals, and New discoveries and developments.

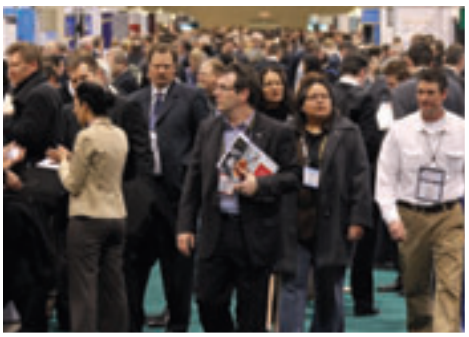
For more information on the Technical Program, visit: **www.pdac.ca/convention/program/technical-program**

Short Courses

PDAC 2015 will host 11 Short Courses. Pre-convention Short Courses held Friday through Sunday morning (February 27, 28 and March 1) cover such topics as Geophysics for geologists, Anti-corruption tools and resources for corporate risk management systems, and the Geology of copper. The always popular Investment Fundamentals course will be held on Saturday and includes presenters from mining companies, consulting firms and the brokerage community.

There will also be two Short Courses to choose from on Wednesday, March 4. A morning session on Mineral disclosure: NI 43-101 fundamentals, best practices, and useful guidance for TSX and TSX Venture issuers, as well as the ever popular DMEC workshop Series taking place in the afternoon.

For more information on Short Courses and to register, **visit: www.pdac.ca/convention/program/short-courses**



FINDING YOUR WAY AROUND

PDAC Mobile Convention Website

The Mobile Convention Website is an essential tool for time management and navigating the PDAC Convention. The mobile website lets you build customized schedules by adding events and presentations into a smartphone calendar, locate and save exhibitors of interest, view floorplans and so much more. There's no need to download an app, just visit: **www.pdac.ca/convention** on your smartphone or tablet.

Use the Mobile Convention Website at the MTCC with FREE Wi-Fi service throughout the MTCC, South Building (excluding exhibit halls).

MINING COUNTRY SPONSORS

PDAC is pleased to announce that Peru and Ecuador are the official Mining Country Sponsors of the PDAC 2015 Convention. We invite you to visit them at their booths on the Trade Show floor or discover more about these mining countries at their Presentation Rooms. For more information on our Mining Country Sponsors please visit **www.pdac.ca/convention/sponsors/sponsors-mining-country**.

REGISTRATION

From investors to media, all convention attendees must register for a pass. You may pre-register or register onsite. Onsite pass pick up is available at the registration desks located at Metro Toronto Convention Centre, South Building, Level 600. You will not be permitted beyond Level 600 security without a pass.

Save up to $200! Register before February 6.

For registration passes and fees, visit: www.pdac.ca/convention/attendee-information/registration

PDAC 2015 → Proud Sponsors

Teck

PDAC 2015 Diamond Sponsor

PLATINUM SPONSORS

BARRICK

IBK Capital Corp.

GOLDCORP

PATRON SPONSORS

RioTinto

EY Building a better working world

pwc

TMX Toronto Stock Exchange | TSX Venture Exchange

VALE

MINING COUNTRY SPONSORS

Perú

ecuador love life

PREMIER SPONSORS

NORDMIN RESOURCE & INDUSTRIAL ENGINEERING

LUNDIN GOLD

SILVER WHEATON

AngloAmerican

Deloitte.

Franco Nevada The GOLD Investment that WORKS

KPMG

PDAC 2015 → Proud Sponsors

GOLD PLUS SPONSORS

IAMGOLD CORPORATION

Stantec

tourism Toronto
Toronto Convention & Visitors Association

AGNICO EAGLE

CIBC

Grant Thornton
An instinct for growth™

KGHM INTERNATIONAL

NAPIER-REID

NATIONAL POST
Right to the point.

NEWMONT

SMALLCAPPOWER.COM

GOLD SPONSORS

1984
THERE'S SAFETY IN OUR NUMBERS

BOART LONGYEAR™

DRA TAGGART

FREEPORT-MCMORAN

gowlings

Hecla MINING COMPANY

HUDBAY

BRONZE SPONSORS

Metalor Technologies

PearTree Financial Services Ltd.

RBC Capital Markets

Scotiabank

CONVENTION SPONSORS

Avanti Management & Consulting Limited

Black Diamond Group Limited

Peter Bojtos

Sprott Inc.

NORTHERN EXPOSURE

The Honourable Leona Aglukkaq, Minister of Environment, shares her insights about the Arctic Economic Council and the opportunities in Canada's North.

In August 2012, I was honoured to be appointed by Prime Minister Stephen Harper as Canada's Minister for the Arctic Council, which is the leading body for international cooperation on Arctic issues. Following this appointment, I consulted with Northerners to determine what they would like the Council to focus on during Canada's Chairmanship (2013-2015). Their message was clear: the well-being and prosperity of the people living in the North must be at the forefront of the Arctic Council's priorities. For this reason, Canada's overarching Chairmanship theme is "Development for the People of the North."

Reflecting this theme, Canada has focused on initiatives that address issues that matter most to the people living in the North. These include the creation of a circumpolar business forum—the Arctic Economic Council—or the AEC.

Canada's North is filled with economic opportunity. But this opportunity isn't without challenges, many of which are experienced by the residents of all Arctic Council States. These include higher costs of living, skilled labour shortages, and harsher weather, to name a few. For this reason, I firmly believe that people living and working in the Arctic have much to learn from each other, and it only makes sense that they should work together to share best practices and advance sustainable development for Northern communities.

In this context, the AEC is a unique forum for three reasons. First, it establishes a truly circumpolar Arctic-to-Arctic network that facilitates cooperation among companies from across the Arctic on building business partnerships and sharing best practices and technological solutions. Second, the AEC serves as a link between business and government by enabling businesses to inform the work of the Arctic Council. And third, Arctic Indigenous peoples have representation on the AEC, which ensures that those living in the North are active participants in decisions affecting their communities. We are making sure that the North is being developed to benefit Northerners.

On September 2 and 3, 2014, I hosted the founding meeting of the AEC in Iqaluit, with business representatives nominated by the eight Arctic States and six indigenous Permanent Participant organizations of the Arctic Council. I was pleased that, at this meeting, one of Canada's business representatives, Mr. Tom Paddon, President and CEO of Baffinland Iron Mines Corporation, was chosen by his peers to be the first Chair of the AEC.

AEC representatives also determined that the Council will begin its work by focusing on certain themes that are central to responsible Arctic economic development, including establishing strong market connections between the Arctic States and encouraging public-private partnerships. AEC representatives also acknowledged the importance of traditional knowledge in the sustainable development of the Arctic, which will help businesses achieve better results.

The AEC is in the process of establishing working groups that will focus on various sectors, such as infrastructure, energy, mining, shipping and tourism. These working groups will be opened to the broader Arctic business community and relevant organizations. I encourage everyone to learn more about how they can engage in this work.

These international efforts to promote business development across the Arctic are being complemented at home by domestic efforts in Canada's North.

As in other parts of the circumpolar North, tremendous natural resource exploration and development potential exists in Nunavut, Yukon and the Northwest Territories, and is drawing global interest and investment. Because we recognize that this resource development is a key driver of economic growth, our Government is committed to supporting responsible resource development, while strengthening environmental protections, and ensuring that this development benefits the people of the North.

In addition to my capacity as Minister for the Arctic Council, I also serve as Minister of the Canadian Northern Economic Development Agency, or CanNor. CanNor works collaboratively with industry, communities and government partners to ensure that northern communities and businesses have the tools, skills and advice they need to participate in, and benefit from, development. For example, we have created the Northern Projects Management Office, which provides guidance to industry and communities on northern regulatory systems and processes. It coordinates all federal efforts through the entire regulatory review process of major projects, and tracks the progress of projects to bring transparency, timeliness and effectiveness to the regulatory system.

I'm proud to say that since CanNor's creation in 2009 we are seeing results; economic growth in Canada's territories continues to outpace the national average.

As we move forward, I am confident that, alongside our efforts at home to promote sustainable development, the AEC will be a strong and effective body to help enhance pan-Arctic economic cooperation. Our Government has ensured that the people of the North are the focus of the Arctic Council's activities through initiatives like the AEC, and that their voices are being heard in the decisions affecting their communities. This will be an important part of the legacy of Canada's Arctic Council Chairmanship. **c**

NORTHERN INFRASTRUCTURE INVESTMENT BANK: An Innovative Financing Model

Mining is the North's economic advantage and mineral development is integral to the northern economy. It is the primary, private sector economic driver in the North and accounts for between 20-25% of the Gross Domestic Product in each of the three Canadian territories. Despite considerable mineral potential, however, mining success is challenged by substantial infrastructure deficiencies. Existing federal infrastructure programs are ill-suited in addressing mining infrastructure gaps in northern Canada. This is because the North's expansive land base, high construction costs and dispersed, remote communities make it difficult to design cost-effective mining infrastructure that would fulfill the public use criteria of these programs. Uniquely northern challenges require uniquely northern solutions.

To address the northern mining infrastructure challenge, the PDAC is advocating for the establishment of a Northern Infrastructure Investment Bank, aimed at providing long-term financing to support the development of the transportation and energy infrastructure required to unlock the mineral potential of the North. **Vida Ramin**, PDAC's Director of Technical and Regulatory Affairs, discusses how the bank could assist in enhancing exploration and development opportunities in the region that will benefit all Canadians.

Why is the PDAC recommending this? What is the policy rationale for the creation of an Infrastructure Bank?

The criteria for accessing existing federal infrastructure programs (see Annex A) requires infrastructure to have a public-use component. Yet most infrastructure projects required for mining success in the territories, particularly in the NWT and Nunavut, do not meet this public-use test. As a result, existing federal infrastructure programs will likely not be able to address resource-development infrastructure needs in the North.

Even where public use could be demonstrated, it is unlikely that the host territorial government would have the financial capacity to contribute their share of the costs (e.g. 25% of costs for projects to be funded under the National Infrastructure Component of the New Building Canada Fund). Where they do have the resources, territorial governments would likely, and understandably, use their respective "Provincial-Territorial Component" to finance much-needed community infrastructure as opposed to infrastructure to facilitate resource development.

The sustainability of the northern mineral industry, and its ability to continue making contributions to northern economies and communities, requires innovative financing options to support the development of public-benefit infrastructure, rather than simply public-use infrastructure.

Why is additional federal investment in northern infrastructure needed?

The mineral industry accounts for nearly one quarter of the Gross Domestic Product of each of Canada's territories. The industry's continued contribution to northern economies and communities is challenged by considerable gaps in energy and transportation infrastructure.

These deficiencies have substantial cost implications for companies operating in the North. At the exploration stage, infrastructure gaps make accessing potentially prospective lands extremely costly. A recent study conducted by the PDAC, in partnership with other industry associations, indicates that exploration projects that are more than 500 km from transportation routes or supply centres face costs that can be six times higher than less remote projects. Even where discoveries have been made, the infrastructure deficit creates a need for very large capital investments, which make otherwise economic deposits unviable.

The need for this type of investment has become more urgent because the North will play an increasingly important role in Canada's efforts to grow its base metal reserves, which have been declining since the 1980s, and to sustain the economic benefits of mining by moving existing and new discoveries into production. As most of the easy-to-find deposits in active mineral regions have been found and exploited, the discovery and development of northern deposits will become increasingly critical to sustaining mining's contribution to Canada.

How does this proposal support the federal government's goals and priorities?

The implementation of this recommendation supports the advancement of key federal priorities set out in the Government of Canada's Northern Strategy, including the promotion of social and economic development as well as improving and devolving Northern governance.

New financing tools for infrastructure to support northern mineral development will grow territorial economies, create jobs and generate additional revenue for both the federal and territorial governments to enhance social services to northern and Aboriginal communities. Enhanced revenue generation capacity for host territorial governments will improve northern self-sufficiency and decrease reliance on federal transfer payments.

The federal government has made much-needed investments in the North to improve the geoscience knowledge base (GEM Program) and to enhance the timeliness and efficiency of permitting decisions (Northern Regulatory Improvement Initiative), as well as environmental assessments (Northern Regulatory Improvement Initiative and the Northern Projects Management Office).

Although these types of investments will improve the likelihood of greenfield projects advancing through key stages of the development cycle, they do not address the cost challenges associated with bringing a deposit to the production stage. Without adequate investment in mining infrastructure, which supports production processes and the cost-effective movement of mined materials to market, the federal government will fall short of achieving the objectives outlined in its Northern Strategy.

What could the proposed Infrastructure Bank look like?

The proposed entity could be a federal Crown corporation wholly owned by the Government of Canada and established through an Act of Parliament. Its mandate would be to provide long-term financing to support construction of the transportation and energy infrastructure necessary to advance existing and new discoveries to the production stage.

Financing could take the form of low-interest loans with long repayment periods, bonds (including tax-exempt bonds), as well as equity. This would not be a granting agency; financing would only be provided for economically feasible projects.

Although an initial federal investment would be required, the institution would be expected to be self-sustaining in the medium-term. In addition, the government would recover its initial investment through negotiated user fees and a modest rate of return. In Alaska, initial funding provided to the Alaska Industrial and Export Authority to support resource development infrastructure has been fully recovered, with the State continuing to receive dividends from its initial investment on an annual basis.

In addition to recouping its initial investment and receiving dividends, the federal government will also see a return from this investment in the form of increased royalty revenue from mineral development in the territories. Even where devolution has occurred, territorial governments will receive only 50% of mineral revenues up to a maximum amount. The federal government will, then, reduce federal transfers by an amount proportional to the resource revenues not shared with these territories.

Where would an Infrastructure Bank fit within the federal system?

The bank could be a standalone institution reporting to Parliament through a number of potential Ministers (e.g. the Minister for Aboriginal Affairs and Northern Development Canada, the Minister for Natural Resources Canada or the Minister responsible for the Canadian Northern Economic Development Agency).

Alternatively, the functions of an Infrastructure Bank could be added to the existing mandate of the Business Development Bank of Canada. The BDC's enabling legislation is currently under review; potential amendments to implement this idea could be proposed. **c**

ANNEX A

The primary vehicle for existing federal investments in infrastructure is the $53 billion *New Building Canada Plan*, which includes:

The *Community Improvement Fund* (CIF): consisting of the Gas Tax Fund and the incremental Goods and Services Tax Rebate for Municipalities, the CIF will provide over $32 billion to municipalities for projects such as roads, public transit and recreational facilities, and other community infrastructure.

A $14 billion *New Building Canada Fund*, which consists of the:

- **$4 billion National Infrastructure Component (NIC) that will support projects of national significance**
- **$10 billion Provincial-Territorial Infrastructure Component (PTIC) for projects of national, regional and local significance. Under the PITC, each province and territory receives $250 million of base funding plus a per capita allocation over the 10-year term of the program.**

An additional $1.25 billion in funding for the P3 Canada Fund (Public-Private Partnerships) administered by PPP Canada.

- **The P3 Canada Fund was created to improve the delivery of public infrastructure.**
- **Under P3 arrangements, governments continue to own the infrastructure assets while the private sector plays a larger role in their design, construction, operation and maintenance.**

"Its mandate would be to provide long-term financing to support construction of the transportation and energy infrastructure necessary to advance existing and new discoveries to the production stage."

CORE

The Voice of Mineral Exploration
Winter 2015